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U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

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DEPUTY

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA

September 2013 Grand Jury

UNITED STATES OF AMERICA,

Plaintiff,

v.

MICHAEL VANNAK KHEM MISIEWICZ,

Defendant.

Case No.

15 CR 0033 JLS

I N D I C T M E N T

Title 18, U.S.C., Sec. 371 -
Conspiracy; Title 18, U.S.C.,
Sec. 201(b)(2)(A) and (C) -
Bribery; Title 18, U.S.C.,
Sec. 981(a)(1)(c) and Title 28,
U.S.C, Sec. 2461(c) - Criminal
Forfeiture

The grand jury charges:

INTRODUCTORY ALLEGATIONS

1. From in or about December 2012 until in or about September 2013, defendant MICHAEL VANNAK KHEM MISIEWICZ ("MISIEWICZ") was a Captain-select in the U.S. Navy stationed in Colorado Springs, Colorado. From in or about January 2011 to in or about December 2012, MISIEWICZ served as the Deputy Director of Operations for the Commander of the Seventh Fleet aboard the USS Blue Ridge, home-ported in Yokosuka, Japan. From in or about June 2009 to in or about January 2011, MISIEWICZ served at the rank of Commander as the Commanding Officer for the USS Mustin, a forward-deployed Destroyer-class vessel in the U.S. Navy's Seventh Fleet, home-ported in Yokosuka, Japan.

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1 2. As a Commander and Captain-select in the U.S. Navy,
2 MISIEWICZ was a "public official" within the definition of Title 18,
3 United States Code, Section 201(a)(1).

4 3. As early as June 2009, when he assumed command of the USS
5 Mustin, MISIEWICZ first met representatives of Glenn Defense Marine
6 (Asia) ("GDMA"), a multi-national corporation headquartered in
7 Singapore, with operating locations in several other countries,
8 including Japan, Thailand, Malaysia, Korea, Hong Kong, Indonesia,
9 Australia, Philippines, and the United States.

10 4. GDMA's main business involved the "husbanding" of marine
11 vessels, a service it had provided to the U.S. Navy across Asia under
12 various contracts for over 25 years. "Ship husbanding" involved the
13 coordinating, scheduling, and direct and indirect procurement of items
14 and services required by ships and submarines when those vessels
15 arrive at port. Examples of these items and services included
16 tugboats; fenders; port authority or customs fees; security; food;
17 fuel; water; trash removal; collection, holding, and transfer of
18 liquid waste ("CHT"); and transportation.

19 5. Leonard Glenn Francis ("Francis"), a citizen of Malaysia who
20 resided in Singapore, was the owner, President, and Chief Executive
21 Officer of GDMA.

22 6. In or about Summer 2011, the U.S. Navy awarded GDMA three
23 contracts to provide husbanding services to U.S. Navy ships and
24 submarines at ports throughout Southeast Asia (Region 2), Australia
25 and Pacific Isles (Region 3), and East Asia (Region 4).

26 7. It was a violation of MISIEWICZ's official and lawful
27 duties: (a) to transmit information that the U.S. Navy had classified
28 as "confidential" to any person not entitled to receive it; (b) to

1 make unauthorized disclosure of proprietary, internal U.S. Navy
2 information; and (c) to enrich himself by using his position and
3 influence with the U.S. Navy to advocate for and advance the interests
4 of GDMA and Francis.

5
6 Count 1 - Conspiracy (18 U.S.C. § 371)

7 8. From in or about early 2011 through in or about September
8 2013, on the high seas and outside the jurisdiction of any particular
9 district, defendant MICHAEL VANNAK KHEM MISIEWICZ ("MISIEWICZ"), a
10 public official, Leonard Glenn Francis, and others (1) knowingly and
11 unlawfully combined, conspired, and agreed to commit bribery, that is,
12 MISIEWICZ, Francis, and others, knowingly agreed that, in return for
13 MISIEWICZ being influenced in the performance of official acts and
14 being induced to do and omit to do acts in violation of his official
15 and lawful duties, as opportunities arose, (a) Francis would directly
16 and indirectly, corruptly give, offer, and promise things of value to
17 MISIEWICZ, including cash, gifts, travel expenses, entertainment, and
18 the services of prostitutes, and (b) MISIEWICZ would directly and
19 indirectly, corruptly demand, seek, receive, accept, and agree to
20 receive and accept these things of value; and (2) MISIEWICZ and
21 Francis took overt acts in furtherance of this conspiracy and to
22 effect its unlawful object, in violation of Title 18, United States
23 Code, Sections 201(b)(1)(A) and (C) and 201(b)(2)(A) and (C).

24 OBJECT OF THE CONSPIRACY

25 9. It was the object of the conspiracy for MISIEWICZ to provide
26 Francis with classified and other proprietary, internal U.S. Navy
27 information, and to use his position and influence with the U.S. Navy
28 to advocate for and advance the interests of Francis and GDMA, as

1 opportunities arose, and in return for Francis, GDMA, and others to
2 give things of value to or on behalf of MISIEWICZ, including cash,
3 gifts, travel expenses, entertainment, and the services of
4 prostitutes.

5 METHODS AND MEANS OF THE CONSPIRACY

6 10. In furtherance of this conspiracy, and to accomplish its
7 object, the following methods and means were used, among others:

8 a. MISIEWICZ would demand, seek, receive, and accept
9 things of value from Francis, including cash, gifts, travel expenses,
10 entertainment, and the services of prostitutes.

11 b. Francis would offer and give things of value to or on
12 behalf of MISIEWICZ, including cash, gifts, travel expenses,
13 entertainment, and the services of prostitutes.

14 c. In return for these things of value, MISIEWICZ would
15 provide Francis with classified and other proprietary, internal U.S.
16 Navy information, and would use his position and influence with the
17 U.S. Navy to advocate for and advance the interests of Francis and
18 GDMA, as opportunities arose.

19 d. MISIEWICZ would help FRANCIS identify other U.S. Navy
20 officers whom MISIEWICZ believed would accept from Francis things of
21 value in violation of U.S. Navy rules and regulations.

22 e. MISIEWICZ would attempt to conceal his corrupt
23 relationship with Francis by creating clandestine email accounts which
24 he used to communicate with Francis.

25 f. Francis would take steps to obstruct and impede an
26 ongoing criminal investigation into his relationship with MISIEWICZ,
27 including by bribing a Naval Criminal Investigative Service ("NCIS")
28 Special Agent for information and advice and counsel about the

1 investigation and by attempting to delete and deleting an email
2 account with the intention of destroying communications between
3 himself and MISIEWICZ.

4 OVERT ACTS

5 11. In furtherance of the conspiracy and to effect its objects,
6 the following overt acts, among others, were committed:

7 a. On or about February 14, 2011, GDMA and Francis paid
8 for MISIEWICZ's stay at a luxury hotel in Manila, Philippines as well
9 as for the services of prostitutes while there.

10 b. On or about February 21, 2011, MISIEWICZ created email
11 account mustfive89@gmail.com, which he used to communicate with
12 Francis and other GDMA employees.

13 c. On or about June 24, 2011, Francis paid the expenses
14 for MISIEWICZ's vacation, including his round-trip airfare from Japan
15 to Kuala Lumpur and Cambodia and return to Japan, several nights at a
16 luxury hotel in Kuala Lumpur, and approximately 5000 Malaysian ringgit
17 (approximately \$1,500 USD) in spending money.

18 d. On or about July 11, 2011, Francis emailed MISIEWICZ
19 asking for ship schedules for port visits to Australia and told
20 MISIEWICZ that he was arranging of the delivery of a package to
21 MISIEWICZ's wife. On or about July 12, 2011, MISIEWICZ provided
22 Francis with the requested classified U.S. Navy ship schedules.
23 Francis replied, confirming he had left a designer handbag for
24 MISIEWICZ's wife with GDMA's Country Manager in Japan.

25 e. On or about August 27, 2011, MISIEWICZ emailed Francis
26 advising that the USS John C. Stennis was adding a day to its port
27 visit to Port Klang, Malaysia, a lucrative port for GDMA, and stating:
28 "See, you ask -- I deliver! LoL!".

1 f. On or about November 25, 2011, Francis arranged and
2 paid for the vacation travel of MISIEWICZ from Japan to Phnom Penh,
3 Cambodia, on to Singapore, and return; MISIEWICZ's mother from Texas
4 to Phnom Penh and Japan, and return; and his brother from Texas to
5 Phnom Penh, and return. This trip included a three-night stay by
6 MISIEWICZ at a luxury hotel in Singapore, paid by Francis.

7 g. On or about December 7, 2011, MISIEWICZ created the
8 email account lgflittlebro@gmail.com, which he used to communicate
9 with Francis and other GDMA employees.

10 h. On or about December 31, 2011, MISIEWICZ provided
11 Francis with classified U.S. Navy ship schedules.

12 i. On or about January 10, 2012, MISIEWICZ provided
13 Francis with classified U.S. Navy ship schedules.

14 j. After reviewing the ship schedules sent by MISIEWICZ,
15 on or about January 10, 2012, Francis emailed MISIEWICZ demanding that
16 MISIEWICZ use his position and influence to "swing" the USS George
17 Washington to Port Klang instead of Singapore.

18 k. On or about February 12, 2012, MISIEWICZ provided
19 Francis with classified U.S. Navy ship schedules.

20 l. On or about April 11, 2012, Francis paid for MISIEWICZ
21 to join him at an expensive dinner in Japan, followed by entertainment
22 at a nightclub, and the services of prostitutes.

23 m. On or about April 15, 2012, MISIEWICZ provided Francis
24 with updated classified U.S. Navy ship schedules.

25 n. On or about April 27, 2012, Francis emailed MISIEWICZ
26 airline tickets which Francis had purchased for MISIEWICZ's brother to
27 travel from Texas to Cambodia and return.

1 o. On or about May 17, 2012, Francis paid for MISIEWICZ's
2 two-night stay at a luxury hotel in Singapore.

3 p. On or about May 19, 2012, Francis advised MISIEWICZ
4 that he had access to tickets to a Lady Gaga concert that he was
5 willing to provide to other U.S. Navy officers and asked, "Who can we
6 trust in the Office for Lady Ga Ga? Tickets are not the issue[.] [W]ho
7 will keep silent:)." MISIEWICZ responded "Well let me think about who
8 might be 'cool'. I think it is tough to determine who keeps quite"
9 and then provided several names of U.S. Navy officers. The next day,
10 MISIEWICZ sent Francis an email identifying an additional U.S. Navy
11 officer to whom MISIEWICZ was thinking of offering a Lady Gaga ticket.
12 Francis responded that this individual was "a good catch on the team."

13 q. On or about June 8, 2012, Francis emailed MISIEWICZ
14 asking for updated ship schedules.

15 r. On or about June 10, 2012, MISIEWICZ provided Francis
16 with classified U.S. Navy ship schedules.

17 s. On or about July 2, 2012, MISIEWICZ asked Francis to
18 make arrangements for MISIEWICZ and three of his children to travel on
19 a two-week vacation from Japan to Singapore, Cambodia, and Malaysia.
20 Francis paid for this trip, including stays at luxury hotels in
21 Singapore and Malaysia.

22 t. On or about September 5, 2012, Francis paid for two
23 nights in a luxury hotel and the services of prostitutes for MISIEWICZ
24 in Singapore.

25 u. Following several requests from Francis that MISIEWICZ
26 advocate for routing U.S. Navy ships to Sepangar, Malaysia, on or
27 about September 15, 2012, MISIEWICZ sent an email to several officers
28

1 in the U.S. Navy's Seventh Fleet which advocated for the USS John C.
2 Stennis to make a port call in Sepangar, instead of another port.

3 v. On or about November 19, 2012, Francis arranged to pay
4 for MISIEWICZ to travel on vacation from Japan to Malaysia, Cambodia,
5 Singapore, and back to Japan, including luxury hotel stays and
6 entertainment expenses.

7 w. On or about April 11, 2013, Francis received
8 information from an NCIS Special Agent to whom he was paying bribes
9 that criminal investigators had seized MISIEWICZ's email and that "he
10 had not deleted anything for several years." On or about April 15,
11 2013, referring to the investigation, the NCIS Agent advised Francis
12 that "[MISIEWICZ's] email will give them some leads."

13 x. On or about July 19, 2013, after receiving confidential
14 law enforcement sensitive information from the NCIS Agent to whom he
15 was paying bribes, Francis contacted MISIEWICZ via Blackberry
16 Messenger about the ongoing criminal investigations, telling him:
17 "[The] cases are closing."

18 All in violation of Title 18, United States Code, Section 371.

19 Counts 2 - 8 - Bribery
20 (18 U.S.C. § 201(b)(2)(A) and (C))

21 12. The allegations in Paragraphs 1 through 6 and 9 through 11
22 of this Indictment are incorporated by reference.

23 13. On or about the dates set forth in Column "A," on the high
24 seas and outside the jurisdiction of any particular district,
25 defendant MICHAEL VANNAK KHEM MISIEWICZ ("MISIEWICZ"), a public
26 official, directly and indirectly, corruptly demanded, sought,
27 received, accepted, and agreed to receive and accept the things of
28 value set forth in Column "B," in return for being influenced in the

performance of official acts and in return for being induced to do or omit to do things in violation of his official duties, all as opportunities arose, including providing classified and other internal, proprietary U.S. Navy information to Francis and GDMA, and using MISIEWICZ's position and influence within the U.S. Navy to advocate for and advance the interests of Francis and GDMA, with each demand, receipt, and acceptance of a thing of value constituting a separate Count of this Indictment:

COUNT	"A" - DATE	"B" - ITEMS OF VALUE
2	June 24, 2011	Travel expenses for travel to Kuala Lumpur, Malaysia and Cambodia and approximately \$1500 cash.
3	Nov. 25, 2011	Travel expenses for MISIEWICZ's travel from Japan to Cambodia and Singapore; his mother's travel from Texas to Cambodia and Japan, and return; and his brother's travel from Texas to Cambodia, and return.
4	Apr. 27, 2012	Travel expenses for MISIEWICZ's brother to travel from Texas to Cambodia and back.
5	May 17, 2012	Hotel expenses at a luxury hotel in Singapore
6	July 2, 2012	Travel expenses for MISIEWICZ and three family members to travel from Japan to Cambodia, Singapore, and Malaysia.
7	Sept. 5, 2012	Hotel expenses at a luxury hotel, and prostitute services in Singapore.
8	Nov. 19, 2012	Travel expenses for MISIEWICZ's travel from Japan to Malaysia, Cambodia, Singapore, and back to Japan.

All in violation of Title 18, United States Code, Section 201(b)(2)(A) and (C).

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FORFEITURE ALLEGATIONS

14. The allegations set forth in Counts 1 through 8 of this Indictment are incorporated by reference for the purpose of alleging forfeiture pursuant to Title 18, United States Code, Section 981(a)(1)(c), and Title 28, United States Code, Section 2461(c).

15. Pursuant to Federal Rule of Criminal Procedure 32.2, notice is hereby given to the above-named defendant that the United States will seek forfeiture as part of any sentence in accordance with Title 18, United States Code, Section 981(a)(1)(c), and Title 28, United States Code, Section 2461(c), including but not limited to all property, real or personal, which constitutes or is derived from proceeds traceable to any conspiracy to commit bribery or bribery, as alleged in this Indictment.

All pursuant to Title 18, United States Code, Section 981(a)(1)(c), and Title 28, United States Code, Section 2461(c).

DATED: January 6, 2015.


 Foreperson

LAURA E. DUFFY
United States Attorney

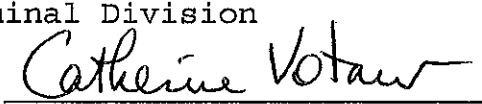
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